

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE☒MULTIPLE
ZONE☐

2. NAME OF OPERATOR

Cimarex Energy Company

3. ADDRESS AND TELEPHONE NO.

1700 Lincoln St. Ste 1800 Denver, CO 80203, 303-295-3995

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1867' FSL, 778' FWL NW/4 SW/4, Section 27

At proposed prod. zone

1867' FSL, 778' FWL NW/4 SW/4, Section 27

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

26 Miles NorthWest of Harley Dome, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

778'

16. NO. OF ACRES IN LEASE

960

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40 acres

18. DISTANCE FROM PROPOSED

LOCATION TO NEAREST WELL,

DRILLING, COMPLETED, OR

APPLIED FOR, ON THIS LEASE, FT. See attached Map

19. PROPOSED DEPTH

10,280

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7445' GR

22. APPROX. DATE WORK WILL START*

May 2006

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|--|
| 12-1/4" | 9-5/8" J-55 ST&C | 36 | 650' | 420 Sacks Class G + 2% CaCl ₂ +0.25 pps cell flks; 1.06 cu. ft/sk, 15.8 ppg |
| 8-3/4" | 5-1/2" P110 LT&C | 17 | 10,280' | 1040 sacks 10-1RFC w/.25 pps cell flks; 1.61 cu.ft/sk, 14.2 pps |

633560X

4371208Y

39.481996

-109.447079

Federal Bond Number:

LPM4138237

RECEIVED

DEC 08 2005

DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is Necessary

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Mike Davis

TITLE

Cimarex Energy Co.

DATE

11-30-05

(This space for Federal or State office use)

PERMIT NO.

43-047-37515

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III

DATE

12-22-05

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001 makes it a crime for any person knowingly and willfully to make to any department or agency or the

CONFIDENTIAL

Range 22 East

(N89°56'W - 5277.36')

Township 15 South

(N00°02'W - 5280.00')

(N00°00'20"E - 2640.20')

(N00°01'W - 5280.00')

(S89°59'W - 5273.40')

27

778.06'

FEDERAL #27-9
ELEV. 7444.5'

UTM

N - 4371217
E - 6335562

1866.81'

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
39°28'55.462" N
109°26'49.382" W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 7454.0' being at the Northwest Section corner of Section 32, Township 15 South, Range 22 East, Salt Lake Base & Meridian, as shown on the Cedar Camp Canyon Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the NW1/4 SW1/4 of Section 27, T15S, R22E, S.L.B.&M., being 1866.81' North and 778.06' East from the Southwest Corner of Section 27, T15S, R22E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



GRAPHIC SCALE

0 500' 1000'
(IN FEET)
1 inch = 1000 ft.



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talon@etv.net



Federal #27-9
Section 27, T15S, R22E, S.L.B.&M.
Uintah County, Utah

| | |
|---------------------------|------------------------------|
| Drawn By: N. BUTKOVICH | Checked By: L.W.J./A.J.S. |
| Drawing No. A-1 | Date: 9/27/05 |
| | Scale: 1" = 1000' |
| Sheet 1 of 4 | Job No. 1932 |

Attached to BLM Form 3

Cimarex Energy Co.

Federal #27-9

NWSW Sec. 27, T15S, R22E, SLB & M

1867' FSL, 778' FWL

Uintah County, Utah

DRILLING PROGRAM

Exhibit "D"

1. The Geologic Surface Formation

Eocene Green River Formation

2. Estimated Tops of Important Geologic Markers

| | <u>MD</u> | <u>Subsea</u> |
|-------------------|-----------|---------------|
| Top Wasatch | 1,660' | +5,800' |
| Top Castlegate | 5,220' | +2,245' |
| Top Dakota Marker | 8,850' | -1,390' |
| Top Upper Dakota | 8,770' | -1,310' |
| Top Lower Dakota | 8,950' | -1,490' |
| Top Morrison | 9,100' | -1,640' |
| Top Entrada | 9,660' | -2,200' |
| Top Wingate | 10,080' | -2,620' |
| TD | 10,280' | -2,820' |

3. Projected Gas & Water Zones

Wasatch: 1,660' – 1,860'

Dakota-Wingate Interval: 8,770' – 10,180'

Groundwater may be encountered within the Emery Sandstone Member of the Mancos Shale. Water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling".

Casing & cementing will be installed to protect potentially productive hydrocarbons, groundwater sources, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 2000 psi.

4. The Proposed Casing and Cementing Programs

| HOLE SIZE | SETTING DEPTH (INTERVAL) | SIZE (OD) | WEIGHT, GRADE & JOINT | CONDITION |
|--------------|-----------------------------|--------------|--------------------------|-----------|
| 12-1/4" | 650' | 9-5/8" | 36# J-55 ST&C | New |
| 8-3/4" | 10,280' | 5-1/2" | 17# P110 LT&C | New |

Cement Program –

Surface Casing: 420 sacks Class G + 2 % CaCl₂ + 0.25 pps cellophane flakes;
Weight: 15.8 #/gal
Yield: 1.15 cu.ft/sk
Excess: 125%

Production Casing: 1040 sacks 10-1 RFC with 0.25 pps cellophane flakes
Weight: 14.2 #/gal
Yield: 1.61 cu.ft/sk
Excess: 25%

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOP will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-650' 12-1/4" hole Fresh water spud Mud/Auagel/Lime/Native Clays

650'-10,280' 8-3/4" hole Dap/PAC-R Mud system

7. The Testing, Logging and Coring Programs are as followed

650'-10,280' Dual Induction/SFL, LDT/CNL

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 1000 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx: December 2006.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

13 POINT SURFACE USE PLAN

Exhibit "E"

Attached to BLM Form 3
Cemarex Energy Company.

Federal 27-9

Surface Location: 1867' FSL, 778' FWL, NW/4 SW/4, Sec. 27, T15S, R22E, SLB&M

Target Location: 1867' FSL, 778' FWL, NW/4 SW/4, Sec. 27, T15S, R22E, SLB&M
Uintah County, Utah

a. Existing Roads

- a. The proposed access road will tie to an existing county road that runs along Winter Ridge (see Exhibit "B").
- b. The existing county road will be improved and/or maintained to facilitate drilling and company trucks and equipment..
- c. There are no plans to change, alter or improve upon any other existing state or county roads.

2. Planned Access

Approximately 0.9 miles of new lease access will be required (See Exhibit "B").

- a. Maximum Width: 20' Travel Surface with a 24' Base.
- b. Maximum Grade: 12%
- c. Turnouts: None
- d. For Drainage, 7 – 18" culverts may be required along this stretch of road. Water will be diverted away from the planned access as necessary and practical
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year round traffic.

3. Location of Existing Wells

- a. There are proposed or existing wells within a one mile radius (see Exhibit "B").

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will follow.
- b. Power lines and gathering lines, when installed, will follow the access roads and tie-in to existing power and pipelines.
- c. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be obtained from a local water source. Temporary Water Change Applications will be generated with the Department of Natural Resources, Division of Water Rights to acquire appropriate fluid volume from existing water rights within the proximity of the project.
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. All necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. As the well is expected to be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will be lined with a synthetic liner. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or pad location
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of camp trailers and mobile offices to be located on the drill site.

9. Wellsite Layout

- a. The well, whether drilling, producing, suspended, or abandoned, will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the West.
- c. Available topsoil will be removed from the location and stockpiled. Location of the rig, reserve and blooie pits, and drilling support equipment will be located as shown on Attachment "C".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and recontoured to minimize possible erosion.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by the existing conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the wellsite is to be abandoned, all disturbed areas will be recontoured.

11. Surface Ownership

- a. The wellsite will be constructed on federal lands managed by the Bureau of Land management (BLM). The BLM will be notified 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is Wildlife habitat and grazing within a WSA. Nearest live water is Meadow Creek approximately 2 miles to the South.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The backslope and foreslope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be at the well site during construction and drilling operations.
- f. There will be no deviation from the proposed construction, drilling, and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. **Company Representatives**

Mike Davis
Cimarex Energy Company.
1700 Lincoln Street, Suite 1800
Denver, Colorado 80203-4518
303-295-3995

Mail Approved A.P.D. To:

Company Representative

Permitting Consultant

Larry W. Johnson
Talon Resources, Inc.
P.O. Box 12390
195 North 100 West
Huntington, UT. 84528
1-435-687-5310

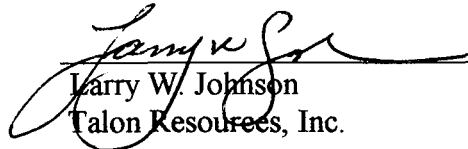
Excavation Contractor

Nelco Contractors
4520 South 100 West
Price, Utah 84501
1-435-637-3495

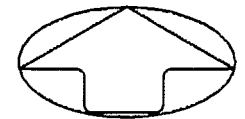
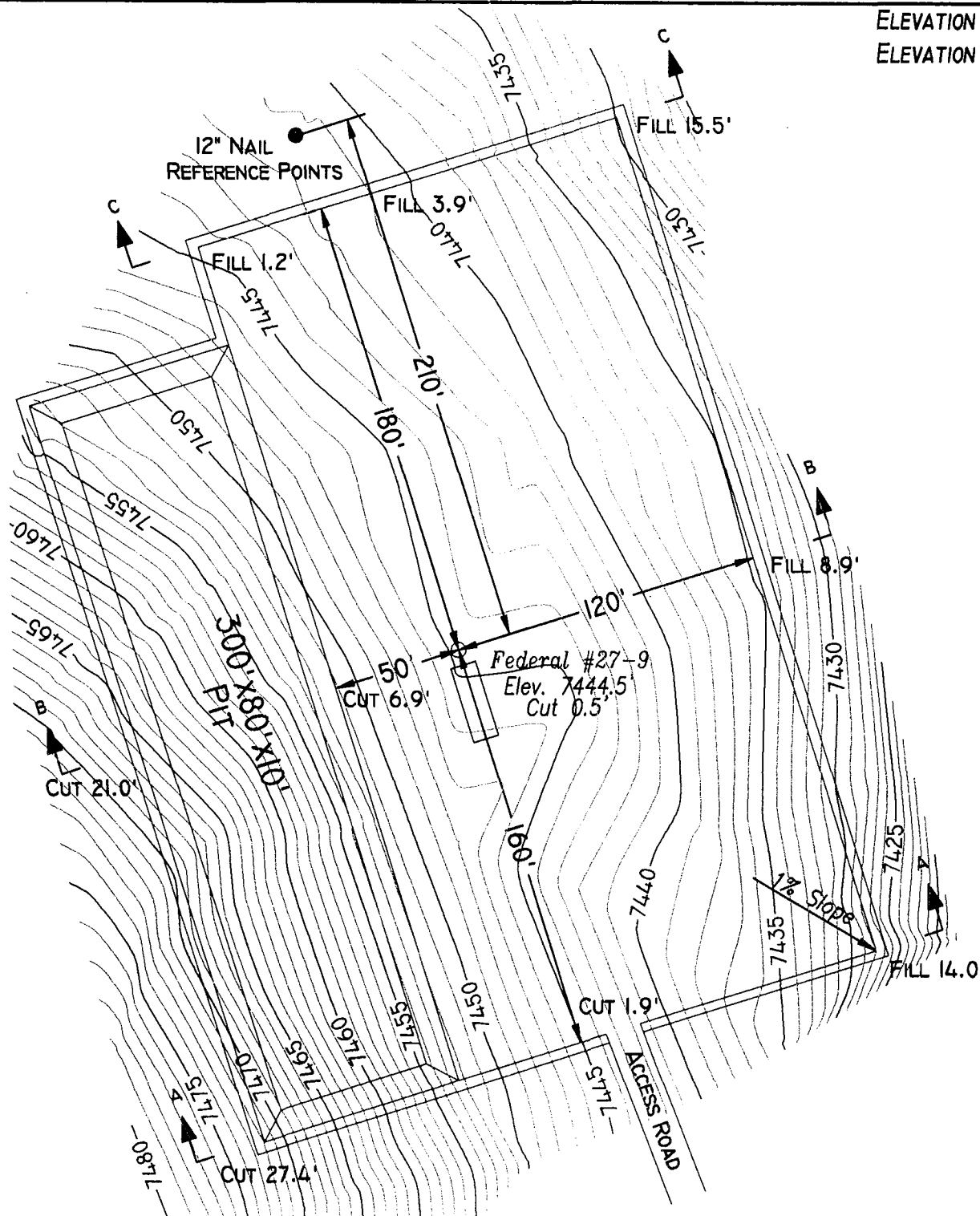
14. **Certification**

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Cimarex Energy Company and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

11/28/05
Date


Larry W. Johnson
Talon Resources, Inc.

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7444.5'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7444.0'



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84328

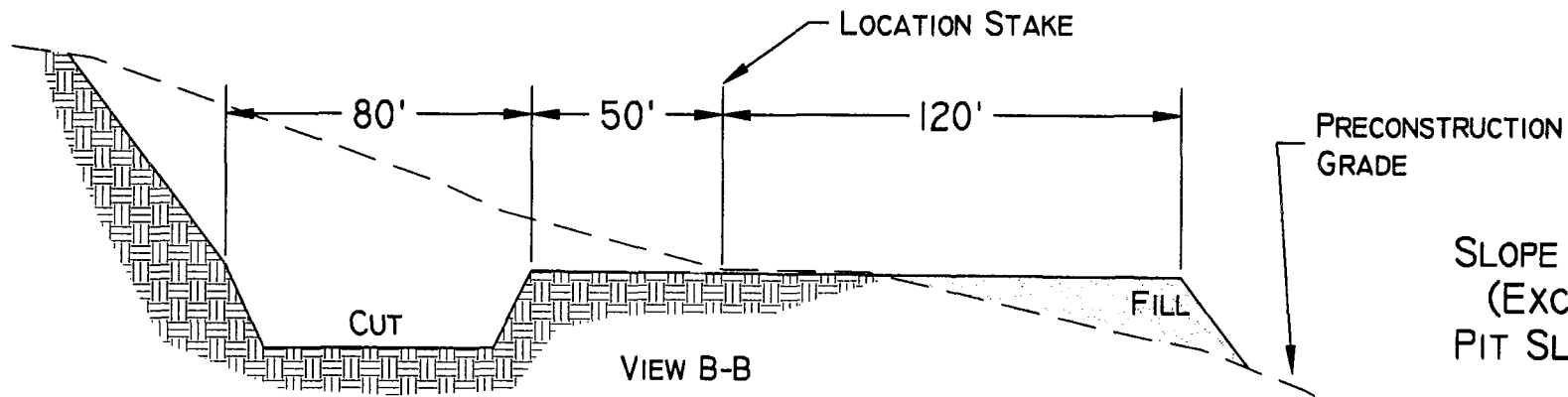
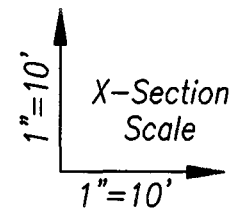
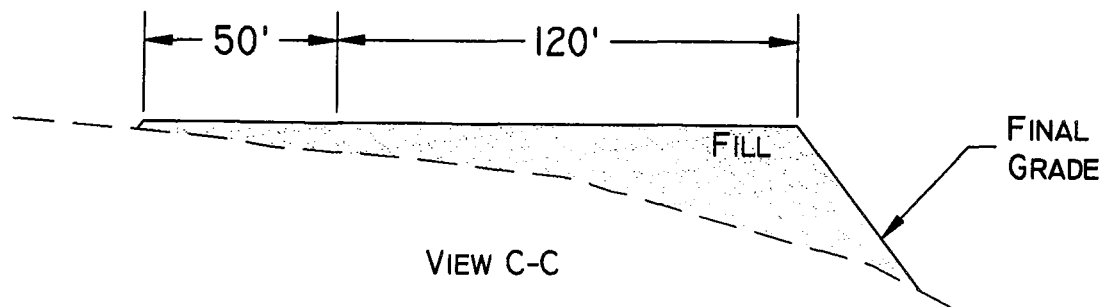
Phone (435)687-5310 Fax (435)687-5311

E-Mail talonres@tv.net

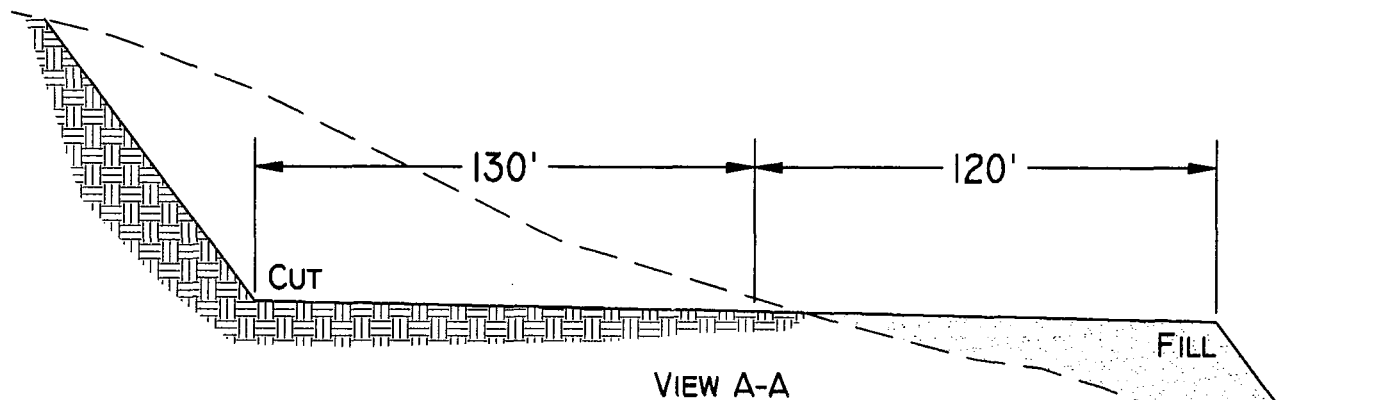


LOCATION LAYOUT
 Section 27, T15S, R22E, S.L.B.&M.
 Federal #27-9

| | |
|---------------------------|-----------------------|
| Drawn By: N. BUTKOVICH | Checked By: L.W.J. |
| Drawing No. A-2 | Date: 9/26/05 |
| | Scale: 1" = 60' |
| Sheet 2 of 4 | Job No. 1932 |



SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talon@rtv.net



TYPICAL CROSS SECTION
Section 27, T15S, R22E, S.L.B.&M.
Federal #27-9

| | |
|---------------------------|-----------------------|
| Drawn By: N. BUTKOVICH | Checked By: L.W.J. |
| Drawing No. C-1 | Date: 9/26/05 |
| | Scale: 1" = 50' |
| Sheet 3 of 4 | Job No. 1932 |

APPROXIMATE YARDAGES

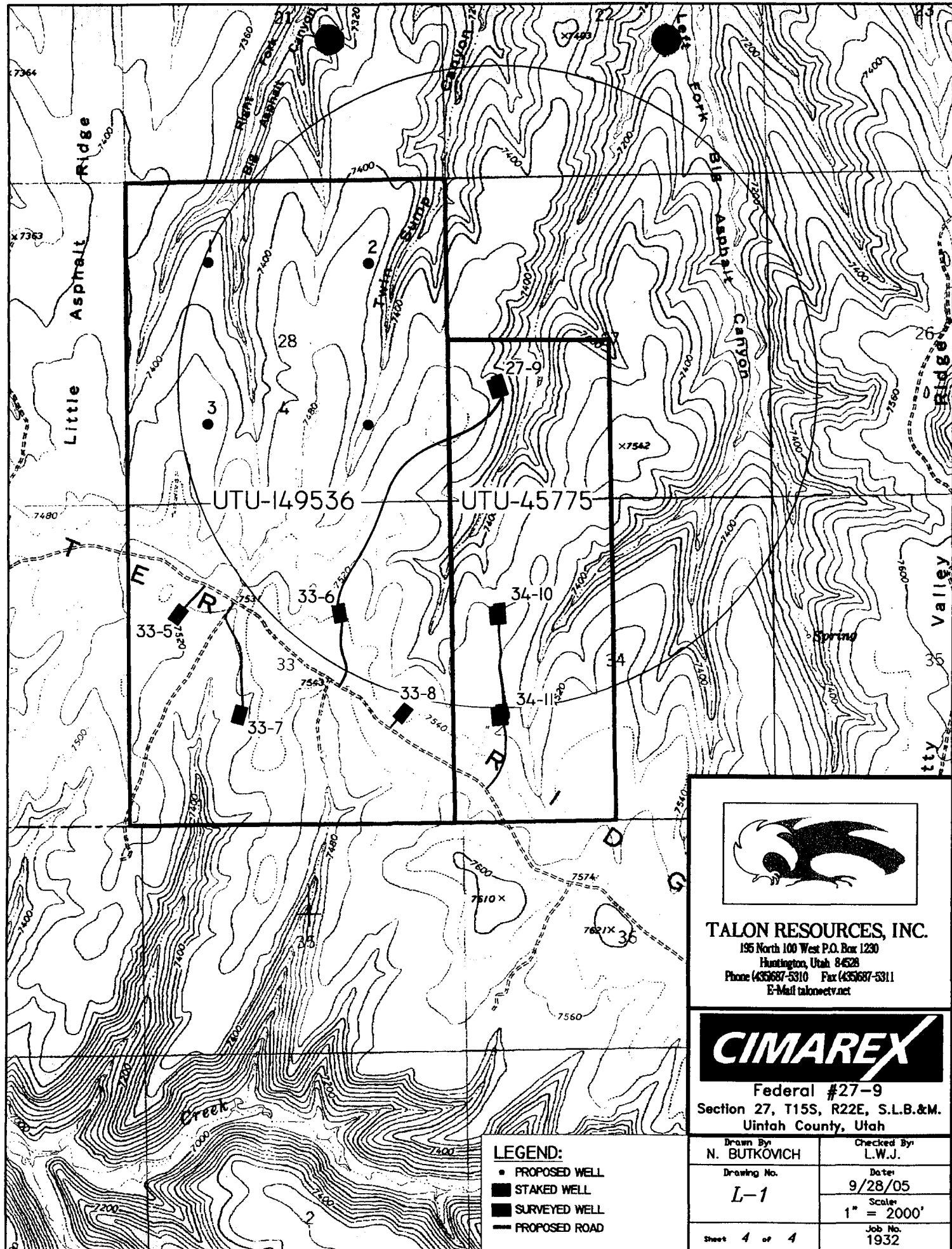
CUT

(6")TOPSOIL STRIPPING = 1,515 CU. YDS.

REMAINING LOCATION = 18,490 CU. YDS.
(INCLUDING TOPSOIL STRIPPING)

TOTAL CUT (INCLUDING PIT) = 26,540 CU. YDS.

TOTAL FILL = 10,045 CU. YDS.



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonnetv.net

CIMAREX

Federal #27-9
 Section 27, T15S, R22E, S.L.B.&M.
 Uintah County, Utah

| | |
|---------------------------|-----------------------|
| Drawn By: N. BUTKOVICH | Checked By: L.W.J. |
| Drawing No. L-1 | Date: 9/28/05 |
| | Scale: 1" = 2000' |
| Sheet 4 of 4 | Job No. 1932 |

LEGEND:

- PROPOSED WELL
- STAKED WELL
- SURVEYED WELL
- PROPOSED ROAD

625000m E. 627000m E. 629000m E. 631000m E. 633000m E. 635000m E. 637000m E. NAD27 Zone 12S 642000m E.

Cimarex Energy Co.

Federal #27-9

TALON RESOURCES, INC.

195 North 100 West

P.O. Box 1230

Huntington, UT 84528

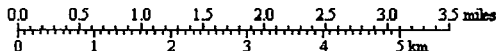
(435) 687-5318

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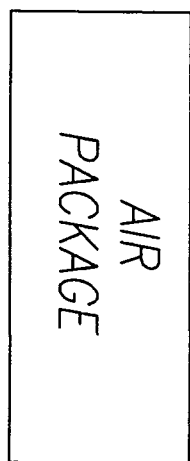
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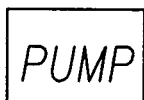
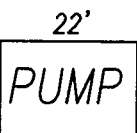
TN MN
12°



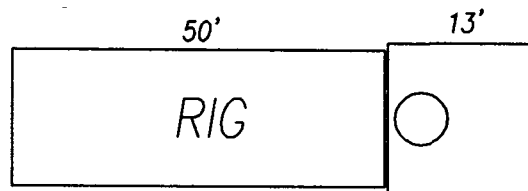
Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)



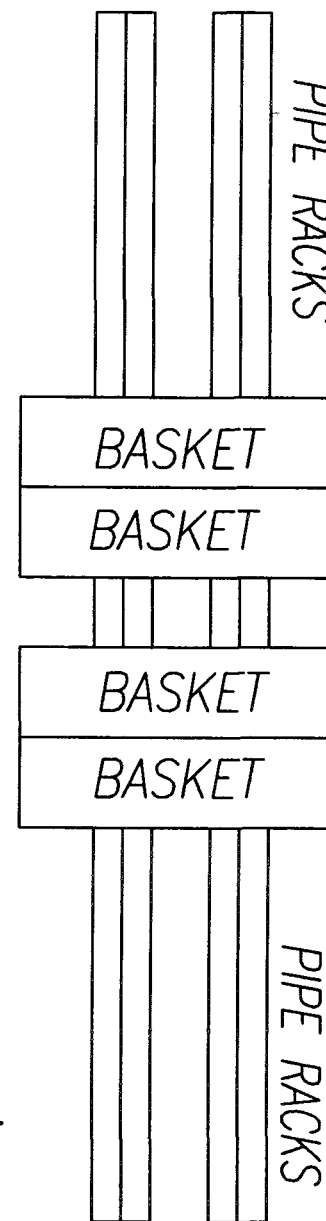
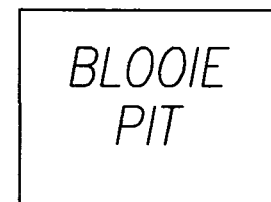
DIESEL FUEL 26' PROPANE



LIGHT PLANT



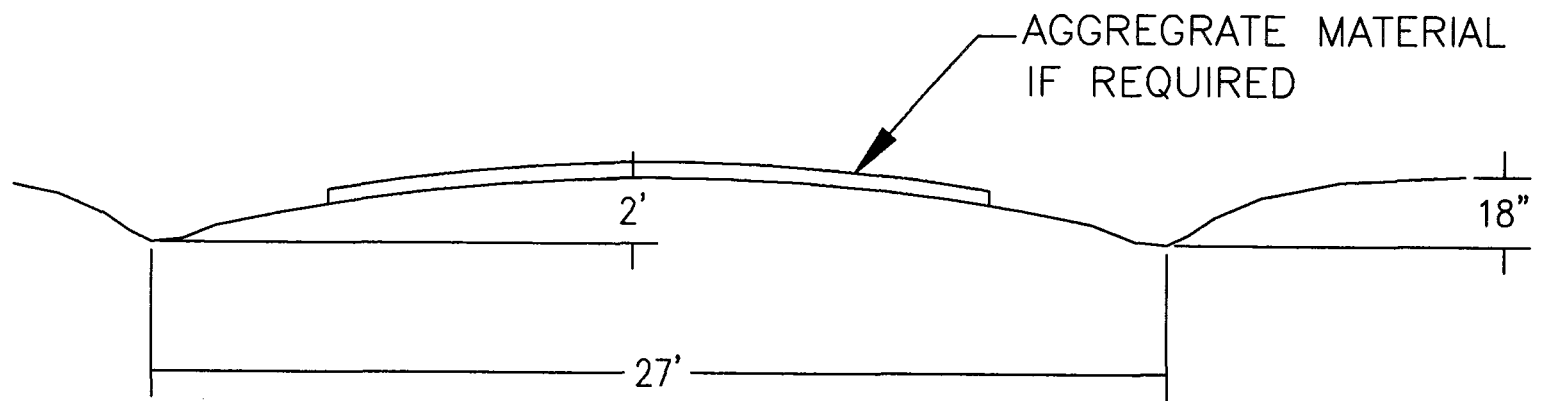
SUBST



APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)



TYPICAL ROAD CROSS-SECTION



CIMAREX

BOP Equipment

3000psi WP

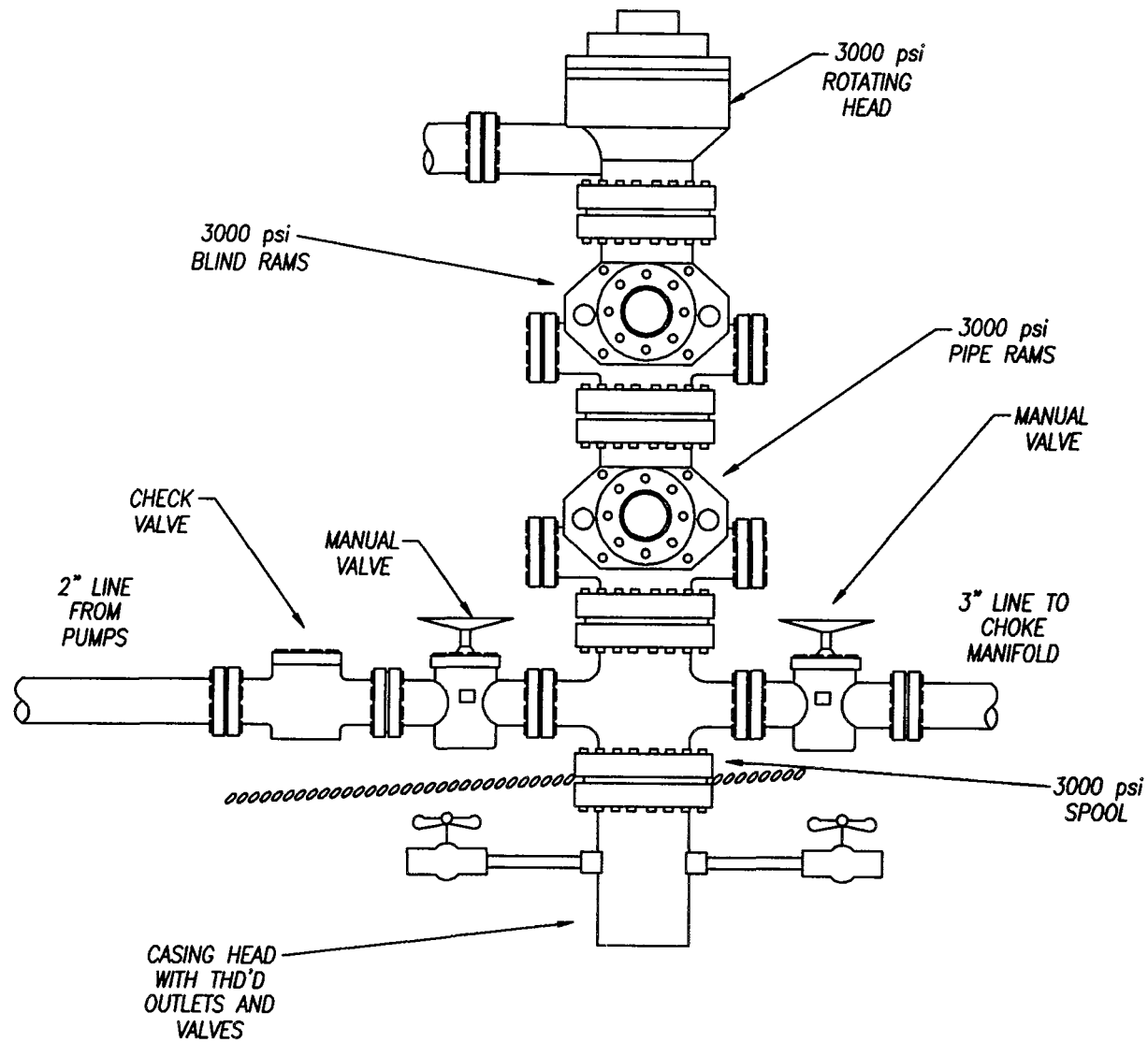
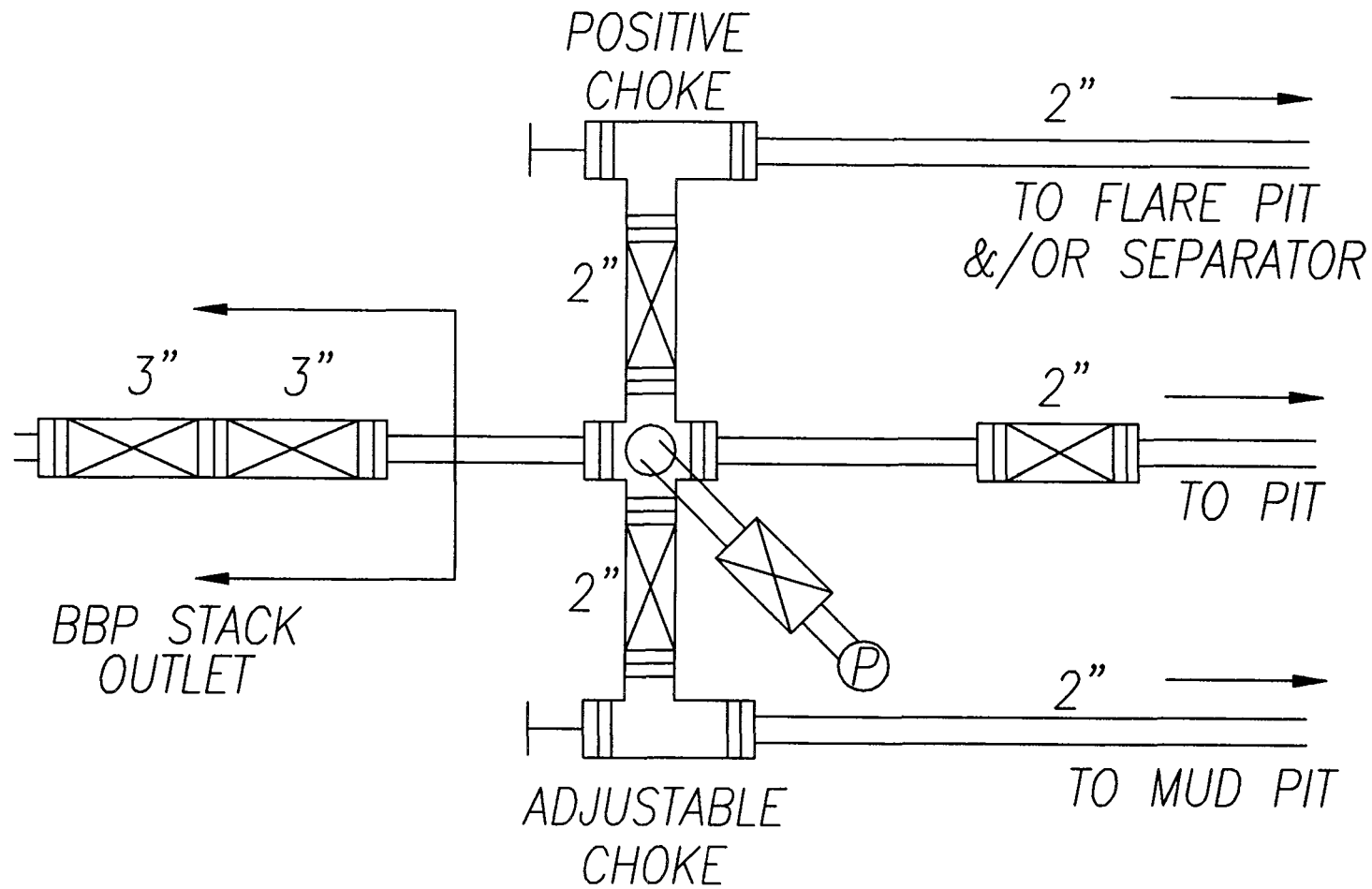


EXHIBIT "G"

CIMAREX

CHOKE MANIFOLD



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/08/2005

API NO. ASSIGNED: 43-047-37515

WELL NAME: FEDERAL 27-9

OPERATOR: CIMAREX ENERGY CO (N2185)

CONTACT: MIKE DAVIS

PHONE NUMBER: 303-295-3995

PROPOSED LOCATION:

NWSW 27 150S 220E

SURFACE: 1867 FSL 0778 FWL

BOTTOM: 1867 FSL 0778 FWL

UINTAH

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-45775

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WINGT

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

LATITUDE: 39.48200

LONGITUDE: -109.4471

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. LPM4138237)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. Municipal)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

☐ R649-2-3.
Unit _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☐ R649-3-3. Exception
Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
☐ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Federal Approval

2-Spacing Shp



OPERATOR: CIMAREX ENERGY CO (N2185)

SEC: 27,34 T. 15S R. 22E

FIELD: WILDCAT (001)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status

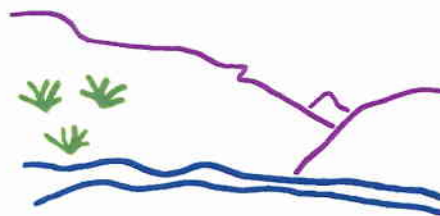
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- ✱ GAS INJECTION
- ✱ GAS STORAGE
- ✱ LOCATION ABANDONED
- ⊙ NEW LOCATION
- ✱ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ✱ SHUT-IN GAS
- ✱ SHUT-IN OIL
- ✱ TEMP. ABANDONED
- TEST WELL
- ⊙ WATER INJECTION
- ⊙ WATER SUPPLY
- ⊙ WATER DISPOSAL
- ⊙ DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 22-DECEMBER-2005



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 22, 2005

Cimarex Energy Company
1700 Lincoln St. Ste. 1800
Denver, CO 80203

Re: Federal 27-9 Well, 1867' FSL, 778' FWL, NW SW, Sec. 27, T. 15 South, R. 22
East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37515.

Sincerely,

K. Michael Hunt
Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Cimarex Energy Company
Well Name & Number Federal 27-9
API Number: 43-047-37515
Lease: UTU-45775

Location: NW SW Sec. 27 T. 15 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 29, 2007

Cimarex Energy Company
1700 Lincoln St. Ste. 1800
Denver, CO 80203

Re: APD Rescinded –Federal 27-9 Sec. 27 T. 15 R. 22E
Uintah County, Utah API No. 43-047-37515

Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 22, 2005. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 29, 2007.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

LLUTG01100

January 23, 2009

Michael M. Wolfe
Cimarex Energy Co.
1700 Lincoln Street, Suite 1800
Denver, CO 80203-4518

4384737517

Re: Request to Return APD
Well No. Federal 27-9
NWSW, Sec. 27, T15S, R22E
Uintah County, Utah
Lease No. UTU-45775

Dear Mr. Wolfe:

The Application for Permit to Drill (APD) the above referenced well submitted December 8, 2005, is being returned unapproved per your request in a letter dated January 6, 2009, to Natural Resource Specialist Holly Villa. Your letter stated that Cimarex Energy Co. is not interested in further processing of this APD. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

If you have any questions regarding APD processing, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

cc: UDOGM

RECEIVED
FEB 02 2009
DIV. OF OIL, GAS & MINING